



BILLING CODE 6714-01-P

FEDERAL DEPOSIT INSURANCE CORPORATION

Agency Information Collection Activities: Proposed Information Collection Revision; Comment Request (3064-0189)

AGENCY: Federal Deposit Insurance Corporation (FDIC).

ACTION: Notice and request for comment.

SUMMARY: The Federal Deposit Insurance Corporation (“FDIC”) invites the general public and other Federal agencies to take this opportunity to comment on a revision of a continuing information collection, titled, “Company-Run Annual Stress Test Reporting Template and Documentation for Covered Institutions with Total Consolidated Assets of \$50 Billion or More under the Dodd-Frank Wall Street Reform and Consumer Protection Act,” (3064-0189), as required by the Paperwork Reduction Act of 1995.

DATES: Comments must be received by **[INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

ADDRESSES: You may submit written comments by any of the following methods:

- *Federal eRulemaking Portal:* <http://www.FDIC.gov/regulations/laws/federal/notices.html>. Follow the instructions for submitting comments.
- *E-mail:* comments@fdic.gov. Include “Annual Stress Test Reporting Template and Documentation for Covered Institutions with Total Consolidated Assets of \$50 Billion or More” on the subject line of the message.
- *Mail:* Manny Cabeza (202-898-3767), Counsel, MB-3007, Federal Deposit Insurance Corporation, 550 17th Street NW, Washington, DC 20429.

- *Hand Delivery/Courier:* Guard station at the rear of the 550 17th Street Building (located on F Street) on business days between 7:00 a.m. and 5:00 p.m.

- *Public Inspection:* All comments received will be posted without change to <http://www.fdic.gov/regulations/laws/federal/> including any personal information provided.

Additionally, you may send a copy of your comments: By mail to the U.S. Office of Management and Budget, 725 17th Street, NW, #10235, Washington, DC 20503 or by facsimile to 202.395.6974, Attention: Federal Banking Agency Desk Officer.

FOR FURTHER INFORMATION CONTACT: You can request additional information from Manny Cabeza, 202.898.3767, Legal Division, Federal Deposit Insurance Corporation, 550 17th Street, NW, MB-3016 Washington, DC 20429. In addition, copies of the templates referenced in this notice can be found on the FDIC’s website (<http://www.fdic.gov/regulations/laws/federal/>).

SUPPLEMENTARY INFORMATION: The FDIC is requesting comment on the following changes to the information collection:

Title: Company-Run Annual Stress Test Reporting Template and Documentation for Covered Institutions with Total Consolidated Assets of \$50 Billion or More under the Dodd-Frank Wall Street Reform and Consumer Protection Act.

OMB Control Number: 3064-0189

Description: Section 165(i)(2) of the Dodd-Frank Wall Street Reform and Consumer Protection Act¹ (“Dodd-Frank Act”) requires certain financial companies, including state nonmember banks and state savings associations, to conduct annual stress tests² and requires the primary financial regulatory agency³ of those financial companies to issue regulations implementing the stress test requirements.⁴ A state nonmember bank or state savings association is a “covered bank” and therefore subject to the stress test requirements if its total consolidated assets are more than \$10 billion. Under section 165(i)(2), a covered

¹ Public Law 111–203, 124 Stat. 1376 (July 21, 2010).

² 12 U.S.C. 5365(i)(2)(A).

³ 12 U.S.C. 5301(12).

⁴ 12 U.S.C. 5365(i)(2)(C).

bank is required to submit to the Board of Governors of the Federal Reserve System (“Board”) and to its primary financial regulatory agency a report at such time, in such form, and containing such information as the primary financial regulatory agency shall require.⁵

On October 15, 2012, the FDIC published in the Federal Register a final rule implementing the section 165(i)(2) annual stress test requirement.⁶ The final rule requires covered banks to meet specific reporting requirements under section 165(i)(2). In 2012, the FDIC first implemented the reporting templates for covered banks with total consolidated assets of \$50 billion or more and provided instructions for completing the reports.⁷ This information collection notice describes revisions by the FDIC to the relevant reporting templates and related instructions, as well as required information. The information contained in these information collections may be given confidential treatment to the extent allowed by law (5 U.S.C. 552(b)(4)).

Consistent with past practice, the FDIC intends to use the data collected to assess the reasonableness of the stress test results of covered banks and to provide forward-looking information to the FDIC regarding a covered institution's capital adequacy. The FDIC also may use the results of the stress tests to determine whether additional analytical techniques and exercises could be appropriate to identify, measure, and monitor risks at the covered bank. The stress test results are expected to support ongoing improvement in a covered bank's stress testing practices with respect to its internal assessments of capital adequacy and overall capital planning.

The FDIC recognizes that many covered banks with total consolidated assets of \$50 billion or more are required to submit reports using the Board’s Comprehensive Capital Analysis and Review (“CCAR”) reporting form, FR Y-14A. The FDIC also recognizes the Board has modified the FR Y-14A, and the FDIC will keep its reporting requirements as similar as possible with the Board's FR Y-14A in order to minimize burden on affected institutions. Therefore, the FDIC is revising its reporting requirements to

⁵ 12 U.S.C. 5365(i)(2)(B).

⁶ 77 FR 62417(October 15, 2012).

⁷ 77 FR 52719 (August 30, 2012) and 77 FR 70435 (November 26, 2012). The most recent revisions to the reporting templates and related instructions were made in 2014. See 79 FR 58780 (September 30, 2014) and 79 FR 75152 (December 17, 2014)

remain consistent with the Board's FR Y-14A for covered banks with total consolidated assets of \$50 billion or more.

Proposed Revisions to Reporting Templates for Institutions with \$50 Billion or More in Assets

The proposed revisions to the DFAST-14A reporting templates consist of clarifying instructions, adding and removing schedules, adding, deleting, and modifying existing data items, and altering the as-of dates. These proposed changes would increase consistency between the DFAST-14A with the FR Y-14A and CALL Report,

Summary Schedule, Standardized RWA Worksheet

The proposed revision includes multiple line items changes intended to promote consistency with the FR Y-14A and ensure the collection of accurate information.

Summary Schedule, Capital Worksheet

Covered institutions would be required to estimate their supplementary leverage ratio for the planning horizon beginning on January 1, 2018. The FDIC proposes adding two items to the Summary Schedule: Supplementary Leverage Ratio Exposure (SLR Exposure) and Supplementary Leverage Ratio (the SLR). The SLR would be a derived field.

In addition, to collect more precise information regarding deferred tax assets (DTAs), the FDIC proposes modifying one existing item on the Capital – DFAST worksheet of the Summary schedule as-of December 31, 2016. The FDIC proposes changing existing item 112 on the Capital – DFAST worksheet of the Summary schedule, “Deferred tax assets arising from temporary differences that could not be realized through net operating loss carrybacks, net of DTLs, but before related valuation allowances”, to “Deferred tax assets arising from temporary differences, net of DTLs.” A covered institution in a net deferred tax liability (DTL) position would report this item as a negative number. This modification would provide more specific information about the components of the “DTAs arising from temporary differences that could not be realized through net operating loss carrybacks, net of related valuation allowances and net of DTLs” subject to the common equity tier 1 capital deduction threshold.

The proposed revisions would also remove certain items that pertained to the capital regulations in place before the adoption of the Basel III final rule.

Summary Schedule, Counterparty Worksheet

The FDIC proposes adding the item “Other counterparty losses” to the counterparty worksheet of the Summary schedule.

Regulatory Capital Instruments Schedule

The FDIC proposes to remove the Regulatory Capital Instruments Schedule.

Regulatory Capital Transitions Schedule

The FDIC proposes to remove the Regulatory Capital Transitions Schedule.

Operational Risk Schedule

The FDIC proposes to remove the Operational Risk Schedule.

Burden Estimates

The FDIC estimates that the proposed revisions will not affect the burden estimates of this information collection which will remain as follows:

Number of Respondents: 4.

Annual Burden per Respondent: 1,114.

Total Annual Burden: 4,456.

The FDIC recognizes that the Board requires bank holding companies to prepare the Summary, Macro scenario, Operational risk, Regulatory capital transitions, and Regulatory capital instruments for the FR Y-14A. The FDIC believes that the systems covered institutions use to prepare the FR Y-14A reporting templates will also be used to prepare the reporting templates described in this notice. Comments continue to be invited on:

(a) Whether the collection of information is necessary for the proper performance of the functions of the FDIC, including whether the information has practical utility;

(b) The accuracy of the FDIC's estimate of the burden of the collection of information;

(c) Ways to enhance the quality, utility, and clarity of the information to be collected;

(d) Ways to minimize the burden of the collection on respondents, including through the use of automated collection techniques or other forms of information technology; and

(e) Estimates of capital or start-up costs and costs of operation, maintenance, and purchase of services to provide information.

Dated at Washington, DC, this 21st day of November.

FEDERAL DEPOSIT INSURANCE CORPORATION

Robert E. Feldman,
Executive Secretary

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